Great Lakes Water Quality Bond Implementation Status Report

Prepared by the Michigan Department of Environmental Quality Environmental Science and Services Division Prepared June 9, 2004



Michigan Department of Environmental Quality Environmental Science and Services Division Environmental Assistance Center 1- 800-662-9278

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GREAT LAKES WATER QUALITY BOND IMPLEMENTATION STATUS REPORT

Section 305 of Public Act 171 of 2003, the Department of Environmental Quality's (DEQ's) Fiscal Year (FY) 2004 Appropriation Bill, included the following requirements:

"By July 1, 2004, the department shall prepare and submit a report to the state budget director, the legislature, the chairs of the standing committees of the senate and house of representatives with primary responsibility for issues related to natural resources and the environment, and the chairs of the subcommittees of the senate and house appropriations committee with primary responsibility for appropriations for the department of environmental quality, outlining the implementation of the Great Lakes water quality bond, 2002 PA 397, MCL 324.19701 to 324.19708, including but not limited to, the amount of bonds issued and the date they were issued, the number of applications received for loans from the state water pollution control revolving fund created in section 16a of the shared credit rating act, 1985 PA 227, MCL 141.1066a, the total amount of loans requested, a listing of the applicants receiving loans and the total amount of loans provided to those applicants, a listing of applicants whose loan applications were not approved, the amount of the loans granted that were leveraged from bond proceeds, and the remaining bond proceeds and bond authorization."

The Environmental Science and Services Division of the DEQ continues to administer the State Revolving Fund (SRF) and established the Surface Water Quality Initiatives Fund (SWQIF) in FY 2004. Implementation of the Great Lakes Water Quality Bond Fund has proceeded as follows:

- The passage of Proposal 2 on the November 2002 statewide ballot authorized the state to issue up to \$1 billion in general obligation bonds to "finance sewage treatment works projects, storm water projects and nonpoint source projects."
- The first series of bonds (\$100 million) was issued by the Michigan Municipal Bond Authority on December 18, 2003. Consistent with Part 197, Great Lakes Water Quality Bond Implementation, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, ninety percent of the bonds were deposited into the SRF and ten percent were deposited into the SWQIF.
- For FY 2004, the SRF received applications from 23 projects totaling an estimated \$231,200,000, while the SWQIF received applications from 2 projects for an estimated \$1,075,000.
- 4. Attachment 1 details those FY 2004 SRF loans tendered to date (1st through 3rd Quarter), which went to 13 projects totaling \$95,945,000. We anticipate 5 additional loans being tendered in the 4th Quarter, at an estimated \$110,370,000.
- 5. Attachment 2 details those loans tendered in FY 2004 from the SWQIF. Two loans were tendered which totaled \$1,145,000.
- 6. Five SRF applications were submitted that will not receive funding in FY 2004. The city of Ann Arbor withdrew two applications (totaling \$1,810,000) as a result of its decision to remain in noncompliance with Environmental Protection Agency requirements regarding User Charge System proportionality. The George W. Kuhn Drainage District in Oakland County (\$5,000,000) and the village of Hesperia (\$285,000) withdrew their applications, choosing to seek funding in FY 2005, which will allow additional time to complete design. The application from the village of Clinton (\$3,515,000) was not approved and is being

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- deferred from consideration until FY 2005 while an evaluation of proper facility sizing and cost effectiveness is completed.
- 7 The FY 2004 SRF demand will be accommodated without using any of the Proposal 2 bonds which were deposited in the fund. All FY 2004 loans will be tendered using other SRF resources.
- 8. The loans awarded in the SWQIF necessitated pledging \$3,040,000 of the Proposal 2 bonds to secure sufficient assets (\$1,500,000) to tender these loans and administer the fund.
- 9. Proposal 2 SRF bonds issued remain available in the fund and the authority exists to issue another \$810 million in bonds for the SRF. In the SWQIF, \$6,960,000 in Proposal 2 bonds remains available in the fund and the authority exists to issue an additional \$90 million.

Prepared by: Mr. Chip Heckathorn, Chief
Revolving Loan and Operator Certification Section

ME	27 State Revolvind I	fund: Fundable R	ange Quarterly Report - Fiscal Year: 2004	SRF
1st Q	uarter Projects	Binding Con	nmitment Date; : 6 11/25/2003	Maria Maria
5203-03	Grosse lle Twp	Wayne Co	Seg 3 SSO; Relief Swrs	\$16,295,000
1st Q	uarter Total	1 Projects		*** *** ***
2nd O	uarter Projects	Binding Con	nmitment Date: 39/2004	
MARKET CHICAGO	Lansing	Ingham Co	Seg 16 CSO; Swr Sep (Capitol Loop)	\$4,670,000
and the second second	Lansing	Ingham Co	Seg 17 CSO; Swr Sep (Subarea 018 E; Subarea 025)	\$9,605,000
	Port Huron	St. Clair Co	Seg 9 CSO; Swr Sep (Item 35)	\$3,770,000
134-03	Warren	Macomb Co	Seg 3; WWTP Upgrds, Sand Filter Rehab - Financial Seg	\$1,220,000
190-02	St Joseph	Berrien Co	Seg 2 CSO; Swr Sep, Rehab	\$2,165,000
191-01	Clinton Twp	Macomb Co	SSO; Swr Rehab	\$1,405,000
214-01	East Lansing	Ingham Co	CSO; RTB	\$9,605,000
218-01	Marquette	Marquette Co	Upgrd Lift Stations; Repl FM	\$3,470,000
nd Q	uarter Total	8 Projects		
rd Q	lattor Projects:	Binding Con	nmitment Date: - 878/2004 - 1	
204-05	Detroit	Wayne Co	Seg 5; WWTP Upgrds - Cryo Plant Impr	\$2,910,000
204-06	Detroit	Wayne Co	Seg 6; WWTP Upgrds - Belt Filter Press Impr	\$18,690,000
212-01	S Huron Valley Utility Authority	Wayne Co	EQ Basin	\$9,220,000
228-01	Detroit	Wayne Co	WWTP - Scum Impr	\$12,920,000
rd Qu	uarter Total	4 Projects		
th Q	uarter Projects	Blinding Cor	nmitment Date: 4.9/2/2004	Service Control
Demonstrate	Trenton	Wayne Co	SSO Seg 6; Swr & PS Rehab	\$2,500,000
134-02	Warren	Macomb Co	Seg 2; WWTP Upgrds	\$7,245,000
207-02	Dearborn	Wayne Co	Seg 2; CSO - Capture shafts Phase A	\$85,000,000
221-01	Boyne City	Charlevoix Co	WW IP Upgrd	\$7,400,000
	Boyne City Eaton Rapids	Charlevoix Co	WWTP Upgrd	\$7,400,000
222-01		Charlevoix Co 5 Projects	A COLOR DE LA COLO	\$7,400,000 \$110,370,000
222-01 Ith Q	Eaton Rapids			
222-01 Ith Qu otal Fu	Eaton Rapids uarter Total undable Range Dollars	5 Projects		\$110,370,000
222-01 Ith Quotal Fu	Eaton Rapids uarter Total undable Range Dollars Projects	5 Projects 18 Projects		\$110,370,000 \$206,315,000
222-01 th Quotal Fundamental	Eaton Rapids uarter Total undable Range Dollars Projects Dearborn	5 Projects 18 Projects Wayne Co	CSO; Future Segs	\$110,370,000 \$206,315,000 \$110,000,000
222-01 hth Quarter of the Control of	Eaton Rapids uarter Total undable Range Dollars Projects Dearborn	5 Projects 18 Projects Wayne Co St Joseph Co	CSO; Future Segs WWTP Upgrd/Expnd (refinance)	\$110,370,000 \$206,315,000 \$110,000,000 \$5,840,000
222-01 (th Qual Fundamental Control of Contr	Eaton Rapids uarter Total Indable Range Dollars Projects Dearborn Three Rivers Port Huron	5 Projects 18 Projects Wayne Co	CSO; Future Segs WWTP Upgrd/Expnd (refinance) CSO: Swr Sep Future Segs	\$110,370,000 \$206,315,000 \$110,000,000 \$5,840,000 \$16,650,000
222-01 th Qual Furture 207-99 196-01 006-99 192-04	Eaton Rapids uarter Total undable Range Dollars Projects Dearborn Three Rivers Port Huron Geo W Kuhn DD	5 Projects 18 Projects Wayne Co St Joseph Co St Clair Co	CSO; Future Segs WWTP Upgrd/Expnd (refinance) CSO: Swr Sep Future Segs 4 Seg 4 CSO: 12 Towns RTB Imp	\$110,370,000 \$206,315,000 \$110,000,000 \$5,840,000 \$16,650,000 \$5,000,000
222-01 th Qual Furture 207-99 196-01 006-99 192-04 210-01	Eaton Rapids uarter Total undable Range Dollars Projects Dearborn Three Rivers Port Huron Geo W Kuhn DD Manton	5 Projects 18 Projects Wayne Co St Joseph Co St Clair Co Oakland Co	CSO; Future Segs WWTP Upgrd/Expnd (refinance) CSO: Swr Sep Future Segs 4 Seg 4 CSO: 12 Towns RTB Imp Lagoon/PS Imp (refinance)	\$110,370,000 \$206,315,000 \$110,000,000 \$5,840,000 \$16,650,000 \$5,000,000 \$2,225,000
222-01 th Qualification of the control of the cont	Eaton Rapids uarter Total undable Range Dollars Projects Dearborn Three Rivers Port Huron Geo W Kuhn DD Manton Bangor	5 Projects 18 Projects Wayne Co St Joseph Co St Clair Co Oakland Co Wexford Co Van Buren Co	CSO; Future Segs WWTP Upgrd/Expnd (refinance) CSO: Swr Sep Future Segs 4 Seg 4 CSO: 12 Towns RTB Imp Lagoon/PS Imp (refinance) Lagoon Upgrd/Exp, PS Repl, I/I removal (refinance)	\$110,370,000 \$206,315,000 \$110,000,000 \$5,840,000 \$16,650,000 \$5,000,000 \$2,225,000 \$2,970,000
222-01 th Quantum of the control of	Eaton Rapids uarter Total undable Range Dollars Projects Dearborn Three Rivers Port Huron Geo W Kuhn DD Manton	5 Projects 18 Projects Wayne Co St Joseph Co St Clair Co Oakland Co Wexford Co	CSO; Future Segs WWTP Upgrd/Expnd (refinance) CSO: Swr Sep Future Segs 4 Seg 4 CSO: 12 Towns RTB Imp Lagoon/PS Imp (refinance) Lagoon Upgrd/Exp, PS Repl, I/I removal (refinance) CSO; Sewer Sep - Future Segs	\$110,370,000 \$206,315,000 \$110,000,000 \$5,840,000 \$16,650,000 \$5,000,000 \$2,225,000 \$2,970,000 \$7,865,000
222-01 th Quarter of the control of	Eaton Rapids uarter Total undable Range Dollars Projects Dearborn Three Rivers Port Huron Geo W Kuhn DD Manton Bangor Sault Ste Marie Detroit	5 Projects 18 Projects Wayne Co St Joseph Co St Clair Co Oakland Co Wexford Co Van Buren Co Chippewa Co	CSO; Future Segs WWTP Upgrd/Expnd (refinance) CSO: Swr Sep Future Segs 4 Seg 4 CSO: 12 Towns RTB Imp Lagoon/PS Imp (refinance) Lagoon Upgrd/Exp, PS Repl, I/I removal (refinance)	\$110,370,000 \$206,315,000 \$110,000,000 \$5,840,000 \$16,650,000 \$5,000,000 \$2,225,000 \$2,970,000 \$7,865,000 \$802,760,000
2222-01 Ith Quarter of the Control	Eaton Rapids uarter Total undable Range Dollars Projects Dearborn Three Rivers Port Huron Geo W Kuhn DD Manton Bangor Sault Ste Marie Detroit Billings Twp	5 Projects 18 Projects Wayne Co : St Joseph Co : St Clair Co : Oakland Co : Wexford Co : Van Buren Co : Chippewa Co : Wayne Co :	CSO; Future Segs WWTP Upgrd/Expnd (refinance) CSO: Swr Sep Future Segs 4 Seg 4 CSO: 12 Towns RTB Imp Lagoon/PS Imp (refinance) Lagoon Upgrd/Exp, PS Repl, I/I removal (refinance) CSO; Sewer Sep - Future Segs CSO; Rouge Tunnel - Future Segs CS, WWTP	\$110,370,000 \$206,315,000 \$110,000,000 \$5,840,000 \$16,650,000 \$5,000,000 \$2,225,000 \$2,970,000 \$7,865,000
5222-01 6th Quarter of Cotal Furture of Cotal Furt	Eaton Rapids uarter Total undable Range Dollars Projects Dearborn Three Rivers Port Huron Geo W Kuhn DD Manton Bangor Sault Ste Marie Detroit Billings Twp Billings Twp	5 Projects 18 Projects Wayne Co St Joseph Co St Clair Co Oakland Co Wexford Co Van Buren Co Chippewa Co Wayne Co Gladwin Co Gladwin Co	CSO; Future Segs WWTP Upgrd/Expnd (refinance) CSO: Swr Sep Future Segs 4 Seg 4 CSO: 12 Towns RTB Imp Lagoon/PS Imp (refinance) Lagoon Upgrd/Exp, PS Repl, I/I removal (refinance) CSO; Sewer Sep - Future Segs CSO; Rouge Tunnel - Future Segs	\$110,370,000 \$206,315,000 \$110,000,000 \$5,840,000 \$16,650,000 \$5,000,000 \$2,225,000 \$2,970,000 \$7,865,000 \$802,760,000 \$15,900,000
5222-01 6th Quarter of the Control	Eaton Rapids uarter Total undable Range Dollars Dearborn Three Rivers Port Huron Geo W Kuhn DD Manton Bangor Sault Ste Marie Detroit Billings Twp Clinton	5 Projects 18 Projects 18 Projects Wayne Co St Joseph Co St Clair Co Oakland Co Wexford Co Van Buren Co Chippewa Co Wayne Co Gladwin Co Gladwin Co Lenawee Co	CSO; Future Segs WWTP Upgrd/Expnd (refinance) CSO: Swr Sep Future Segs 4 Seg 4 CSO: 12 Towns RTB Imp Lagoon/PS Imp (refinance) Lagoon Upgrd/Exp, PS Repl, I/I removal (refinance) CSO; Sewer Sep - Future Segs CSO; Rouge Tunnel - Future Segs CS, WWTP CS, WWTP (refinance)	\$110,370,000 \$206,315,000 \$110,000,000 \$5,840,000 \$16,650,000 \$5,000,000 \$2,225,000 \$2,970,000 \$7,865,000 \$802,760,000 \$15,900,000 \$3,400,000

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DE Strategic WQ Ini	itlatives Fund: Fun	dable Range Quarterly Report - F	iscal Year: 2004 SW	/OIF
		nitment Date: \$3,9/2004 vi ()		- du
3001-01 Clinton Twp	Macomb Co	FDD	\$270,000	
3002-01 Ann Arbor				
2nd Quarter Total	2 Projects		\$1,145,000	
Total Fundable Range Dollars	2 Projects		\$1,145,000	
Future Projects		机工工工工工		
3002-99 Ann Arbor	Washtenaw Co	FDD; Future Segments	\$3,440,000	
Dollars Projected	1 Projects			

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